



MANAGING COMPLIANCE WITH THE RENEWABLE ENERGY STANDARDS ACT (THE RES ACT) IN NAR

The Kansas Corporation Commission (KCC) decided in 2010 to use the North American Renewables Registry (NAR) to assist in verifying compliance by Kansas investor-owned utilities and cooperatives with the Renewable Energy Standards Act (the RES Act). While the RES Act is based on generation capacity, NAR tracking is needed in order to facilitate integration with other renewable portfolio standards (RPS) and voluntary markets. For renewable facilities where a portion of the capacity is allocated to Kansas, this allocation will be noted in NAR. This allows for RECs from the remaining capacity to be retired for other compliance markets, such as Missouri, or transferred to counterparties active in additional markets, such as Green-e Energy, North Carolina, etc. The specific steps for doing so are outlined below.

Prerequisites:

In order for the process to work, it is required that the entire capacity for the Renewable Energy Facility be registered in NAR and used for issuance. The utility or cooperative should also create a Retirement sub-account for Kansas compliance.

Allocation Procedure:

Allocating capacity from Owned Generation to Kansas:

- 1) Select the batch of generation corresponding to the capacity that is to be allocated to Kansas.
- 2) Choose "Transfer."
- 3) On the next screen, choose "Retirement" and:
 - a. Select "Used by the Account Holder for a RPS;"
 - b. Select "Kansas;"
 - c. Select the applicable Compliance Period (i.e. Year);
 - d. Select "Owned Generation;"
 - e. Select "Submit."

Allocating capacity from Purchased Energy (PPAs) to Kansas:

- 1) Select the batch of generation corresponding to the Purchased Energy capacity that is to be allocated to Kansas;
- 2) Choose "Transfer;"
- 3) On the next screen, choose "Retirement" and:
 - a. Select "Used by the Account Holder for a RPS;"
 - b. Select "Kansas;"
 - c. Select the applicable Compliance Period (i.e. Year);
 - d. Select "Purchased Energy;"
 - e. Select "Submit."

Allocating RECs to Kansas:

- 1) Select the batch of RECs that is to be retired for Kansas;
- 2) Choose “Transfer;”
- 3) On the next screen, choose “Retirement” and:
 - a. Select “Used by the Account Holder for a RPS;”
 - b. Select “Kansas”
 - c. Select the applicable Compliance Period (i.e. Year)
 - d. Select “Purchased RECs;”
 - e. In the “Additional Details” field, enter the actual capacity factor from the utility’s owned renewable generation for the immediately previous year;
 - f. Select “Submit.”

If you have any questions, please contact Tommy Fulcher III and Lars Kvale with NAR by phone at (201) 222-1422 or by email at NAR@apx.com.

You may also contact Robert Glass at the KCC by phone at (785) 271-3356 or by email at r.glass@kcc.ks.gov.